

AMENDED IN SENATE MARCH 24, 2003

SENATE BILL

No. 303

Introduced by Senator Torlakson

February 19, 2003

An act to add Section 53313.51 to the Government Code, relating to community facilities districts.

LEGISLATIVE COUNSEL'S DIGEST

SB 303, as amended, Torlakson. Community facilities districts.

Existing law provides for the establishment of community facilities districts as a means of financing the construction, purchase, or improvement of certain public facilities and certain public services.

This bill would authorize the legislative body of the district to enter into an agreement for the construction of authorized facilities and for the purchase of the facilities ~~after their completion~~, subject to specified conditions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 53313.51 is added to the Government
- 2 Code, to read:
- 3 53313.51. The legislative body may enter into an agreement
- 4 for the construction of authorized facilities and their purchase ~~after~~
- 5 ~~completion~~ consistent with Section 53313.5. The agreement may
- 6 include any provisions that the legislative body determines are
- 7 necessary or convenient, but shall do all of the following:

(a) Identify the specific facilities or discrete portions or phases of facilities to be constructed and purchased. The legislative body may agree to purchase discrete portions or phases of facilities if the portions or phases are capable of serviceable use as determined by the legislative body. ~~However, in the case of facilities with a~~

~~(b) Notwithstanding subdivision (a), when the purchase value exceeding five million dollars (\$5,000,000) of a facility exceeds one million dollars (\$1,000,000), the legislative body may agree to purchase discrete portions or phases of the partially completed project.~~

~~(b)~~
(c) Identify procedures to ensure that the facilities are constructed pursuant to plans, standards, specifications, and other requirements as determined by the legislative body.

~~(c)~~
(d) Specify a price or a method to determine a price for each facility or discrete portion or phase of a facility. The price may include an amount reflecting the interim cost of financing cash payments that must be made during construction of the project, at the discretion of the legislative body.

~~(d)~~
(e) Specify procedures for final inspection and approval of facilities or discrete portions of facilities, for approval of payment, and for acceptance and conveyance or dedication of the facilities to the local agency.

SEC. 2. *In enacting this act, the Legislature finds and declares the following:*

(a) *The Mello-Roos Community Facilities Act (Chapter 2.5 (commencing with Section 53311) of Division 2 of Title 5 of the Government Code) authorizes local agencies to acquire facilities and implicitly authorizes them to acquire portions or phases of those facilities.*

(b) *Under that act, local agencies use many ways to acquire facilities and to recognize the portions or phases of those facilities.*

(c) *The failure to authorize and make payments for the portions or phases of those facilities may increase the cost of constructing housing, the facilities that are needed to serve housing, nonhousing developments, and other job-creating projects. As a result, the cost of housing and other development may become more expensive.*

1 (d) Section 53313.5 of the Government Code protects the
2 public interest by requiring that any work in-kind accepted
3 pursuant to that section shall be performed or constructed as if the
4 work had been performed or constructed under the direction and
5 supervision, or under the authority, of the local agency.

6 (e) When local agencies comply with the requirements of
7 Section 53313.5 of the Government Code, there are valid reasons
8 to encourage those local agencies to make purchase payments for
9 discrete portions or phases of facilities.

